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Biasing Politics? Interest Group Participation in EU Policy-Making

HEIKE KLÜVER

Does lobbying success in the European Union vary systematically across interest group type? Interest groups lobby the European institutions in order to achieve policy decisions that are in line with their own preferences. While some argue that different types of interest groups are equally able to shape European policy-making, others contend that lobbying success is systematically biased towards some powerful interest groups. The empirical evidence is contradictory as previous studies focused either on a specific interest group type or on a specific policy area so that it is difficult to draw general conclusions. This study therefore presents an extensive empirical analysis of lobbying success across a wide variety of interest groups and policy issues by combining a quantitative text analysis of Commission consultations with an online survey among interest groups. The findings are promising as they indicate that lobbying success does not vary systematically across interest group type.

Introduction

Does lobbying success in the European Union vary systematically across interest group type? The central aim of interest groups is political influence. Interest groups lobby decision-makers in order to achieve policy decisions that are in line with their own preferences. Lobbying plays a particularly important role in the European Union. The transfer of competences to the European Union has been accompanied by a steady increase in the number of interest groups that lobby decision-makers in Brussels (Greenwood 2007: 12). The European Union offers multiple access points for interest groups due to its multilevel character and strong horizontal segmentation (Marks and McAdam 1996). In addition, because of criticism concerning the democratic deficit, the European Commission has engaged in participatory engineering in an effort to use interest group inclusion to improve the democratic legitimacy of the European Union (Kohler-Koch and Finke 2007). Thus, it has taken various initiatives designed to increase the participation of interest groups in

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European policy-making such as the White Paper on European Governance or the Transparency Initiative. While these have made it possible for all interest groups to establish contacts with the European institutions, it is unclear whether all interest groups can effectively use this access. Are all interest groups equally able to translate their access into lobbying success or is lobbying success systematically biased in favour of some powerful interest groups while other organised interests are constantly losing?

Interest group theory predicts that lobbying success varies systematically across different types of interest groups. Two hypotheses have been suggested that link interest group type with lobbying success. The empirical evidence is, however, scarce and the few existing studies that have tested these hypotheses are characterised by contradictory findings. First, the most prominent hypothesis is that lobbying success varies according to the nature of the interest (e.g. Dür and de Bièvre 2007; Olson 1965; Schneider and Baltz 2003). It is generally argued that diffuse interests should find it more difficult to successfully lobby decision-makers since they are less well-resourced. However, others contend that diffuse interests are in fact perfectly capable of achieving their lobbying objectives (Pollack 1997; Warleigh 2000). The second hypothesis put forward by Bouwen (2002, 2004) is that organisational form plays a crucial role in lobbying success. He argues that companies are more successful than European and national associations in lobbying European policy-makers and finds a systematic effect. However, rather than drawing on 'lobbying success' as the dependent variable, he investigates 'access' to the European institutions. As Dür and de Bièvre (2007) have shown, however, 'access' does not necessarily translate into 'lobbying success' and we therefore cannot draw any conclusions from Bouwen's findings for a better understanding of lobbying success. What is more, Bouwen's analysis is limited to business interests in the financial sector and we therefore lack systematic evidence about the effect of organisational form in other policy areas.

The concentration on a particular type of interest group (e.g. Bernhagen and Mitchell 2009; Eising 2007) or on one or just a few policy issues or sectors (e.g. Dür and de Bièvre 2007; Woll 2007) is a more general problem of the interest group literature. The lack of large-*N* empirical studies is primarily caused by methodological difficulties in measuring lobbying success (Dür 2008a). To overcome the shortcomings of the literature, this article therefore draws on a new measurement approach to lobbying success that uses quantitative textual analysis to analyse consultations conducted by the European Commission (Klüver 2009). Using this approach, it presents a large-scale empirical analysis of lobbying success and its distribution among different interest groups across a wide variety of policy issues. This article therefore allows us to empirically assess whether European policy-making is systematically biased in favour of a particular interest group type.

In order to analyse lobbying success, this study focuses on the policy formulation stage in which the European Commission develops a legislative proposal that is forwarded to the Council and the European Parliament.

Based on a preliminary draft proposal that sets out the intended legislative framework, the European Commission launches a public consultation before it adopts its final legislative proposal. As it is more difficult to change a legislative initiative once a formal proposal is already on the table, the policy formulation stage offers the most promising opportunities to shape the outcome of a legislative debate (Bouwen 2009: 25).

The article proceeds as follows: I first present the theoretical expectations that have been formulated in the interest group literature with regard to the effect of interest group type on lobbying success. I then illustrate the research design of this study before empirically testing the theoretical expectations. The article concludes with a summary of the results and a discussion of its implications.

Lobbying Success and Interest Group Type: Predictions from Interest Group Theory

Interest group research has devoted considerable attention to the impact of interest group type on lobbying success. One can basically distinguish two streams of research: one referring to the nature of the interest, the other to the organisational form of interest groups. In the following, I therefore first explain the theoretical expectations that have been brought forward concerning the nature of the interest. In a second step, I illustrate the hypotheses that have been suggested with regard to organisational form.

Nature of the Interest

A prominent hypothesis in interest group research is that lobbying success varies according to the nature of the interest (Dür and de Bièvre 2007; Lohmann 1998; Olson 1965). However, researchers employ varying definitions to capture differences in the nature of the interest, such as the public–private or specific–diffuse distinction. It is therefore important to provide a precise classification of interest groups according to the nature of the interest. I draw on a typology suggested by Stewart (1958: 25) who differentiated between ‘sectional groups’ and ‘cause groups’. Sectional groups represent a section of society such as farmers or chemical corporations. Sectional groups represent special interests that create concentrated costs and benefits for their supporters. Their task is to look after the specific interest of this particular section of society and their membership is usually limited to that section. Cause groups by contrast represent some belief or principle such as environmental protection, health or consumer protection. The membership of cause groups is not restricted; anyone in favour of the principle can become a member of this group. Cause groups represent diffuse interests that only imply diffuse costs and benefits for their supporters.

It is generally thought that cause groups are less successful in lobbying decision-makers than sectional groups. First of all, cause groups defend

diffuse interests that are not related to the material needs of a small and homogeneous group of citizens, but to the diffuse costs and benefits of a large, heterogeneous group of individuals. They therefore find it much more difficult to organise than sectional groups (Olson 1965). Even if cause groups overcome the problem of collective action, they are considerably disadvantaged in comparison to sectional groups. Lohmann (1998) has argued that lobbying success systematically varies between sectional and cause groups due to information asymmetries at the level of their supporters. It is theorised that members of sectional groups are much better able to monitor legislative activities than supporters of cause groups. For instance, farmers are very well informed about agricultural prices and subsidies as these directly affect their personal income. Agricultural interest groups can therefore easily mobilise their members and they are able to credibly threaten decision-makers with electoral punishment. By contrast, supporters of environmental cause groups are in general not very well informed about environmental policy. Even though they are in favour of environmental protection, it does not directly affect their personal income or well-being, and effective monitoring of environmental policy would require a lot of time and technical knowledge. As environmental protection only creates diffuse costs and benefits, citizens are generally unwilling to invest resources in monitoring environmental legislation and environmental cause groups can therefore not credibly threaten decision-makers with electoral punishment.

It is furthermore argued that, despite being able to organise and to gain access to political institutions, cause groups are not able to supply resources to decision-makers, which is a crucial condition for lobbying success (Hall and Deardorff 2006). The main resource providers of interest groups are their supporters. The inability of cause groups to provide resources lies in the nature of the interest they represent. Since cause groups defend some diffuse ideal or principle, their members only face diffuse costs and benefits associated with this interest. Members of cause groups are therefore not willing to provide the same amount of resources as members of sectional groups whose primary material interests are affected. Since cause groups have difficulties mobilising resources from their supporters, they can hardly provide any resources to legislators. Thus, even though cause groups have overcome the problem of getting organised, they constantly suffer from collective action problems, leading to an undersupply of resources (Dür and de Bièvre 2007: 82). Sectional groups, by contrast, represent well-defined, homogeneous constituencies with concentrated interests. Since these interests are of primary material concern to their members, they are willing to supply their interest groups with the necessary resources to engage in effective lobbying.

Applying these theoretical expectations to policy formulation in the European Union, it can be argued that cause groups find it much more difficult to successfully lobby the European Commission. Due to their lack

of financial resources, they can only rely on a small number of staff to monitor the activities of the European institutions and to actively engage in formal and informal lobbying activities. In addition, cause groups can provide little of the policy-relevant information that the European Commission requires for the elaboration of policy proposals. As their members are only poorly informed about policy developments, cause groups can, moreover, not credibly threaten to mobilise their supporters against a policy initiative launched by the European Commission. Thus, with little to exchange, cause groups are not able to successfully lobby the European Commission. The following hypothesis can be formulated:

Hypothesis 1: Sectional groups are more successful in lobbying the European Commission than cause groups.

Organisational Form

Another stream of research is concerned with the effect of organisational form on lobbying success. Pieter Bouwen (2002, 2004) presented a well-elaborated theoretical framework explaining interest group access to the European policy-making process, which he considers as a good indicator of lobbying success (Bouwen 2002: 366). Bouwen considers lobbying as an exchange process whereby goods are exchanged between decision-makers and interest groups. The resource required by interest groups is access to the policy-making process. In return, the European institutions demand certain goods from interest groups, which are crucial for their functioning. Bouwen (2002, 2004) distinguishes three types of access goods: expert knowledge, information about the European encompassing interest and information about the domestic encompassing interest. Expert knowledge refers to expertise and technical know-how. The European encompassing interest refers to the aggregated needs and preferences of a specific subset of society at the European level whereas the domestic encompassing interest refers to the aggregated needs and preferences of a specific subset of society at the national level.

Interest groups can only gain access to the policy-making process if they are able to provide the access goods demanded by the European institutions. According to Bouwen (2002, 2004), the Commission most importantly needs expert knowledge followed by information about the European encompassing interest and the domestic encompassing interest. The European Commission plays a crucial role in European policy-making since it has the sole right of initiative in the first pillar. Drafting legislative proposals is, however, a highly complex task for which the Commission needs a considerable amount of expertise. Since the Commission is notoriously understaffed, it is highly dependent on external expert knowledge to draft policy proposals. Bouwen (2004: 346) furthermore conceptualises the European Commission as a broker which attempts to push member states

to accept policy proposals that go beyond pure intergovernmental consensus. In order to draft such proposals that are able to win a majority at later stages of the decision-making process, the Commission also needs information about the European encompassing interest. This access good is crucial, as it helps identify common European interests. Bouwen (2004: 346), however, reasons that the European Commission requires relatively little information about the domestic encompassing interest. Policy-making is a lengthy process, which usually takes several years in the European Union. During the early stages of the policy-making process, the policy preferences of private domestic actors and member states have therefore often not been identified when the Commission elaborates its proposal.

Not all interest groups are equally able to supply the demanded access goods. Hence, variation in lobbying success is the result of a varying ability to provide the goods requested by the European Commission. Bouwen (2002, 2004) considers the organisational form of interest groups to be the crucial explanatory variable for the supply of access goods and thus the ability to successfully lobby the European Commission. According to Bouwen (2004: 343), companies have enough resources to act individually at the national and the European level. Since they are directly active in the market and dispose of high financial and personnel resources, they are particularly good at providing technical expert knowledge. European associations are not as good as companies in providing expert knowledge since they have fewer financial and personnel resources and since they do not merely represent the interest of a single corporate actor. However, European associations are particularly good at providing information about the European encompassing interest, since they aggregate very diverse interests. National associations, by contrast, provide high-quality information about the domestic encompassing interest, but are not very good at providing expert knowledge or information about the European encompassing interest.

From the theoretical propositions concerning the Commission's demands for access goods and the supply of access goods by companies, European and national associations, the following hypothesis can be formulated:

Hypothesis 2: Companies are more successful in lobbying the European Commission than European groups which in turn are more successful than national groups.

Research Design

In order to test whether lobbying success varies systematically across interest group type, I draw on a large new dataset on interest group lobbying in the European Union. In this section, I illustrate in detail how this dataset was constructed. I first explain the new measurement approach to lobbying success. I then discuss how I selected the sample of interest groups and

policy issues for the analysis before illustrating the operationalisation of the independent variables.

Measuring Lobbying Success

The new measurement approach relies conceptually on the preference attainment technique which compares the policy preferences of interest groups with policy outcomes in order to draw conclusions about the winners and losers of policy-making (Bailer 2004; Baumgartner *et al.* 2009; Mahoney 2007). This technique has several advantages (Dür 2008a): it provides an objective measurement of lobbying success; it covers lobbying through various channels; and it is applicable to a large number of cases. However, it also suffers from several problems (Dür 2008a). First, it is not possible to empirically examine what lobbying strategies and channels lead to lobbying success. This should not constitute a problem for this study as its objective is to assess whether there is a bias in terms of lobbying success across interest group type, not whether certain strategies or access points are more promising in achieving a policy goal. Second, a more severe problem is the fact that lobbying success can be caused by interest group influence or simple luck. Successful interest groups might indeed have been able to shape the behaviour of the European institutions, but it could also be that they were simply lucky in getting what they wanted (Barry 1980a, 1980b). However, being aware of this limitation, this method can still bring us a great deal further, as studying lobbying success and analysing its causes can provide us with a better understanding of the determinants of interest group influence (see also Mahoney 2007: 37).

A third problem of the preference attainment technique is the measurement of policy positions. In order to overcome this problem, I draw on recent developments in political methodology by using quantitative text analysis to extract policy positions from political texts. More precisely, I use the text analysis program Wordfish as it allows us to measure the policy positions in a large number of texts without prior knowledge about them (Proksch and Slapin 2008; Slapin and Proksch 2008). Drawing on the relative frequency of words and based on the assumption that words are distributed according to a Poisson distribution, Wordfish estimates policy positions of texts on a unidimensional policy scale. This unidimensionality assumption is supported by Baumgartner *et al.* (2009: 7) who found that the structure of conflict among interest groups lobbying decision-makers concerning the same policy issue is largely unidimensional despite the potential complexity of policy issues. Two lobbying coalitions usually oppose each other on the same policy dimension on most of the 98 policy issues they investigated in the United States.

Policy positions of interest groups were extracted from their submissions to Commission consultations. Based on a preliminary draft proposal, interest groups can submit comments before the Commission adopts its final

policy proposal. These consultations provide a rich data source for the study of interest group lobbying. Being aware that there are other lobbying channels, most interest groups that lobby the Commission should be covered by the analysis, since public consultations constitute the easiest form of access and a wide variety of actors use this tool (Quittkat 2011). It could however be the case that interest group submissions reflect 'strategic' rather than 'true' policy preferences. However, as it is reasonable to expect no systematic variation of strategically over- or understating preferences across all interest groups in the sample, the revealed policy preferences can be taken as a proxy for the underlying true ideal point.

In order to measure the location of the European Commission in the policy space before and after the consultation, I analysed the consultation paper and a summary of the final policy proposal published by the European Parliament. Since it is crucial that the interest group and Commission documents draw from a similar pool of words, I examined the vocabulary used in the two document types. Of the words that appear in the Commission documents 91.62 per cent are also used in the interest group texts. It is therefore possible to simultaneously analyse the interest group and the Commission texts using Wordfish. Before running the quantitative text analysis, the texts had to be pre-processed. Drawing on a PHP script, I removed symbols, I transformed all words to lowercase and I unified British and American spelling. Moreover, I manually corrected all spelling errors and removed all text passages not directly expressing policy preferences concerning the legislative initiative such as self-descriptions, contact details or repetition of consultation questions. I then applied the program Jfreq to remove stopwords, numbers and currencies, to stem the words – that is reducing them to their roots – and to compute issue-specific word-frequency matrices that serve as input for the Wordfish analysis (Lowe 2009). Finally, I eliminated all stems that occur in 15 per cent or fewer of the texts per policy issue.

In order to test the validity of the policy position measurement, I first conducted a case study in which I compared the policy positions generated by Wordfish with a manual, hand-coded analysis of consultation submissions (Klüver 2009). The hand coding largely confirms the results of the quantitative text analysis. As a second validity test, I questioned interest groups about their cooperation partners and opponents concerning a specific policy proposal in a survey that I conducted among all interest groups in the sample. If the Wordfish policy position estimates are correct, the cooperation partners should be located on the same side of the initial policy position of the European Commission, whereas opponents should be located on the opposing side. Out of 347 cases in which opponents and cooperation partners were reported, 79.54 per cent were estimated correctly, which strongly supports the validity of the Wordfish measurement.

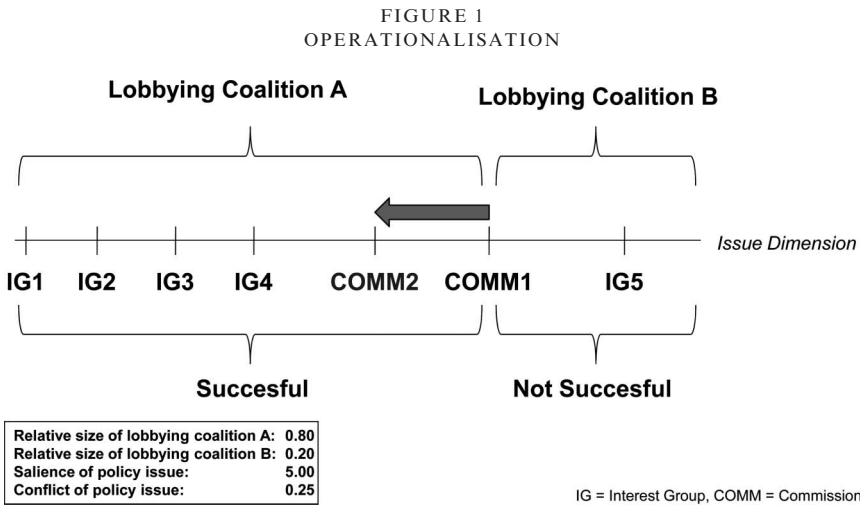
Identification in Wordfish is achieved by setting the mean of all policy preferences to zero and the standard deviation to one. The total variance of

the policy positions estimated for any given policy issue is therefore fixed so that it is not possible to compare absolute distances across different policy issues. In order to overcome this problem, I coded lobbying success dichotomously, depending on whether the distance between interest groups and the European Commission has decreased over time. Figure 1 illustrates the lobbying success measurement. Since the European Commission moves from the middle of the policy space (COMM1) towards the left side (COMM2), the interest groups located left of the initial Commission position (IG1, IG2, IG3, IG4) are considered to have successfully lobbied policy formulation as the distance between them and the European Commission is smaller after than before the consultation. By contrast, IG5 has not been successful in its lobbying activities as the distance has increased over time.

Selection of Policy Issues and Interest Groups

In order to go beyond the focus of previous literature on a specific group type or one or just a few policy issues, I employed a two-stage selection procedure. In a first step, I selected 56 policy proposals from a wide variety of policy areas. In a second step, I then selected all interest groups that submitted comments to consultations that the European Commission conducted prior to the adoption of these proposals.

The selection of policy proposals was based on five criteria. First, I only included proposals in the sample that were adopted between 1 January 2000 and 31 December 2008. Second, in order to exclude non-binding legislation, I only chose legislative proposals for directives and regulations. Third, in order to control for the legislative procedure, the sample only includes



proposals that are subject to Consultation or Co-decision. Finally, in order to avoid proposals that are of little political interest, I only selected policy proposals that were preceded by public consultations. Consultations allow us to identify the population of interest groups that lobbied the European Commission concerning a specific policy proposal and provide textual data to measure the policy positions of interest groups.

Applying these criteria to the European Union database PreLex, I arrived at a sample of 70 proposals from a wide variety of policy areas. Several of these could, however, not be included in the final sample. Six policy proposals were removed as the European Commission did not release any prior position paper and five were excluded for other reasons¹. Two proposals were excluded as less than 10 actors submitted comments to the consultations, which indicates little controversy among interest groups. In addition, analysing such a small number of texts would seriously diminish the quality of the Wordfish policy position estimates. As the policy proposal on ‘Registration, Evaluation, and Authorization of Chemicals’ (REACH), raised about 6,000 submissions, I also excluded it from the sample as the analysis of this single issue would consume more resources than all other issues together. The analysis is therefore based on 56 policy proposals.

In a second step, I then gathered all interest group submissions to these consultations. Altogether, 2,643 associations and 775 companies submitted comments to the 56 selected consultations. However, as the text analysis only works with texts written in the same language and with a minimum number of words, I had to remove non-English submissions as well as submissions that contain less than 100 words from the sample so that the final sample reduced to 2,696 interest groups. The interest group sample includes a wide variety of interest group types, as Table 1 illustrates: 24.22 per cent are companies, while 55.60 per cent are sectional groups and 20.18 per cent are cause groups. In terms of organisational form, 36.94 per cent of all associations are European groups while 38.84 per cent are national groups. The interest group sample contains a wide variety of factors such as companies, business associations, environmental cause groups, health and consumer cause groups and

TABLE 1
INTEREST GROUP TYPE

| Interest group type | Frequency | Per cent |
|-------------------------------|-----------|----------|
| <i>Nature of the interest</i> | | |
| Companies | 653 | 24.22 |
| Sectional groups | 1499 | 55.60 |
| Cause groups | 544 | 20.18 |
| Total | 2696 | 100.00 |
| <i>Organisational form</i> | | |
| Companies | 653 | 24.22 |
| European groups | 996 | 36.94 |
| National groups | 1047 | 38.84 |
| Total | 2696 | 100.00 |

professional associations. The sample of interest groups analysed in this study therefore reflects the diversity of the interest group population at the European level, allowing us to draw general conclusions about the distribution of lobbying success across interest group type.

Operationalisation of Independent Variables

Interest group type was coded based on information that I extracted from interest group submissions and interest group websites. More precisely, I coded the nature of the interest and the organisational form of interest groups based on their configuration, their organisational structure, their members and their policy goals. Based on previous studies, I furthermore controlled for several variables on the interest group and issue level (e.g. Baumgartner *et al.* 2009; Bouwen 2004; Eising 2007; Klüver 2011; Mahoney 2007). On the interest group level, I control for information supply and financial resources. Information supply was measured by the number of words in consultation submissions after removing all text passages not directly conveying any policy-relevant information (see also Klüver 2012). Financial resources were measured by the number of employees that are concerned with lobbying. The number of employees is a commonly used indicator of the financial resources of an interest group, since interest groups often refuse to answer questions concerning lobbying expenses or the size of their budget directly (see also Beyers and Kerremans 2007). This variable was measured using an online survey that I conducted among all interest groups which participated in the consultations. The survey was launched in June 2009 and was online until January 2010. The response rate was 38.67 per cent. Due to survey non-response, information about financial resources is only available for 1,024 interest groups.

On the issue level, I control for salience, complexity, size of lobbying coalitions, conflict and member state support (see also Figure 1). The salience of a policy proposal was measured by the number of comments submitted to its consultation. Their complexity of proposals was operationalised by the number of recitals, the number of articles and the number of words. I performed a factor analysis and computed factor scores as one single measure of complexity². Coalition size was measured by dividing the number of interest groups left and right of the initial Commission proposal by the total number of interest groups that participated in the consultation preceding the adoption of a policy proposal. Conflict was operationalised by dividing the number of interest groups constituting the smaller lobbying coalition by the number of interest groups forming the larger coalition on an issue. This measure ranges from 0 to 1 with 0 indicating no conflict at all and 1 indicating maximum conflict. Finally, I also extracted policy preferences from 506 comments that were submitted by member states to the consultations in order to control for the preferences of member states. Member state support was operationalised by the number of member states

supporting the policy objective of each lobbying coalition weighted by their voting power in the Council.

The Distribution of Lobbying Success across Interest Group Type

In this section, I test whether lobbying success systematically varies according to the nature of the interest and the organisational form of interest groups based on the constructed dataset. First, I present descriptive statistics about the resources, the information supply and the lobbying success of interest groups. Afterwards, I briefly discuss the specification of the statistical model before testing whether lobbying success systematically varies with interest group type based on multilevel regression. In order to present the findings of the multivariate analysis in a more reader-friendly fashion, I then illustrate the findings using simulated predicted probabilities.

It is generally argued in the literature that cause groups are less well endowed with resources than sectional groups. Because they represent public interests such as environmental or consumer protection that only create diffuse costs and benefits, it is difficult for them to convince supporters to provide the necessary resources and to gather detailed policy-relevant information that they can provide to European decision-makers (Dür and de Bièvre 2007: 81–83). By contrast, sectional groups defend the concentrated interests of a particular, well-circumscribed section of society that usually directly affect the income of their members. It is therefore argued that sectional groups find it particularly easy to mobilise the required resources from their supporters and to provide policy expertise as well as information about constituency preferences to the European Commission (Dür and de Bièvre 2007: 81–83). Similarly, Bouwen (2004: 343–44) states that companies are well-equipped with resources and therefore have the capacity to effectively monitor European policy-making and to provide technical expertise to the European institutions. European and national associations by contrast deal with multiple issues and have fewer resources at their disposal so that they are not as good as companies in providing expert knowledge.

In order to empirically investigate whether financial resources and information supply to the European Commission systematically vary across interest group type, I collected information about these characteristics from interest groups that participated in the selected consultations. Tables 2 and 3 present the data on financial resources measured by staff size and on information supply measured by the number of words in consultation submissions. Staff size is by and large similarly distributed across the nature of the interest that interest groups represent. The vast majority of interest groups only have up to five employees, while only 2.67 per cent of all cause groups, 2.84 per cent of all sectional groups and 6.20 per cent of all companies employ more than 50 people in charge of lobbying political decision-makers. Similarly, the distribution of staff size is also largely comparable across the organisational form of interest groups, even though

TABLE 2
FINANCIAL RESOURCES MEASURED BY STAFF SIZE (%)

| Financial resources (in number of staff) | Cause groups (N = 62) | Sectional groups (N = 633) | Companies (N = 129) | European groups (N = 492) | National groups (N = 403) |
|---|--------------------------|-------------------------------|------------------------|---------------------------------|---------------------------------|
| 1– 5 | 62.98 | 58.77 | 53.49 | 66.26 | 52.36 |
| 6–10 | 17.94 | 18.64 | 15.50 | 18.09 | 18.86 |
| 11– 25 | 13.36 | 12.32 | 15.50 | 10.98 | 14.64 |
| 26– 50 | 3.05 | 7.42 | 9.30 | 4.47 | 8.19 |
| More than 50 | 2.67 | 2.84 | 6.20 | 0.20 | 5.96 |
| Total | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |

Note: Nature of the interest (Cause groups, sectional groups, companies): Cramer's V = 0.083, Organisational form (Companies, European groups, national groups): Cramer's V = 0.148.

TABLE 3
INFORMATION SUPPLY MEASURED BY THE NUMBER OF WORDS OF CONSULTATION SUBMISSIONS (%)

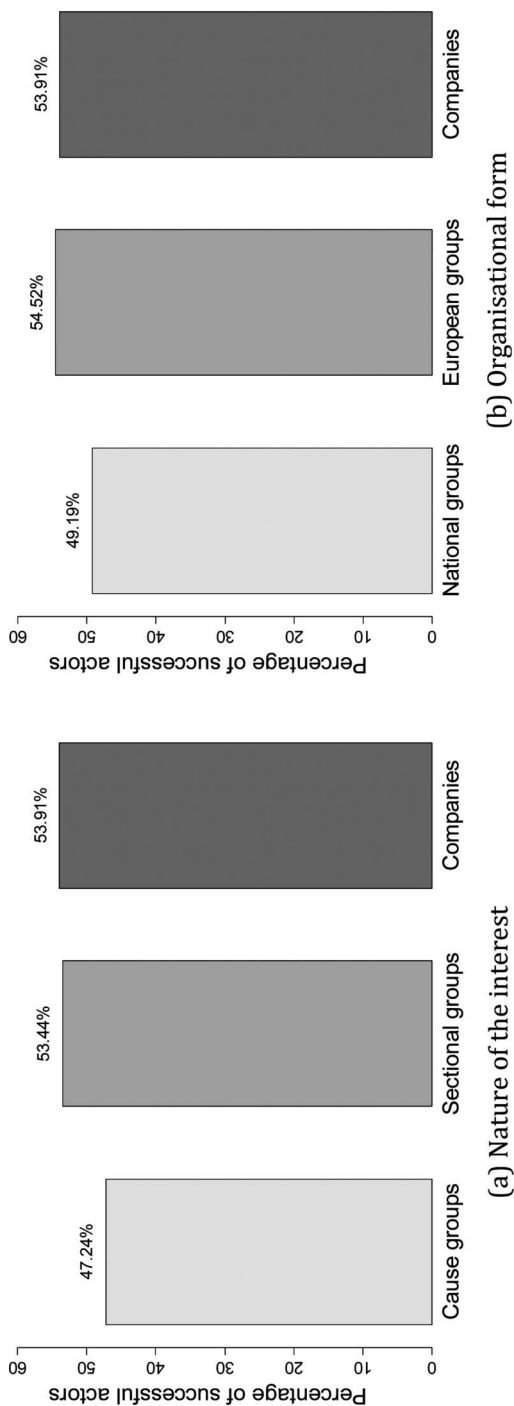
| Information supply (in number of words) | Cause groups (N = 544) | Sectional groups (N = 1,499) | Companies (N = 653) | European groups (N = 996) | National groups (N = 1,047) |
|--|------------------------------|------------------------------------|------------------------|---------------------------------|-----------------------------------|
| Up to 1,000 | 56.43 | 69.58 | 63.71 | 64.46 | 67.62 |
| More than 1,000, up to 2,000 | 27.21 | 19.88 | 20.52 | 22.09 | 21.59 |
| More than 2,000, up to 3,000 | 11.03 | 5.74 | 7.81 | 7.63 | 6.69 |
| More than 3,000, up to 4,000 | 2.39 | 2.74 | 3.83 | 2.71 | 2.58 |
| More than 4,000 | 2.94 | 2.07 | 4.13 | 3.11 | 1.53 |
| Total | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |

Note: Nature of the interest (Cause groups, sectional groups, companies): Cramer's V = 0.093, Organisational form (Companies, European groups, national groups): Cramer's V = 0.054.

European groups on average employ slightly fewer employees than national groups or companies. In terms of information supply, a similar picture emerges. More than half of all interest groups supply up to 1,000 words to the European Commission, while only very few provide more than 4,000 words. The correlation coefficients accordingly indicate that staff size and information supply are only poorly correlated with the nature of the interest or the organisational form of interest groups. Thus, contrary to the expectations in the literature, information supply and resources do not systematically vary with the nature of the interest or the organisational form of interest groups.

In a second step, I empirically investigated the share of interest groups that successfully lobbied the European Commission at the policy formulation stage (see Figure 2). The pooled descriptive statistics suggest that there is a fairly balanced distribution of lobbying success across interest group type: 47.24 per cent of all cause groups, 53.44 per cent of all sectional groups and 53.91 per cent of all companies in the sample were successful in their lobbying attempts. Similarly, the share of successful interest groups is largely comparable across organisational forms: 49.19 per cent of all

FIGURE 2
LOBBYING SUCCESS BY INTEREST GROUP TYPE



national groups, 54.52 per cent of all European groups and 53.91 per cent of all companies were successful in lobbying the European Commission. Thus, the descriptive statistics show only a slight difference in the share of successful actors per interest group type, which does not indicate any bias across the nature of the interest or the organisational form of interest groups. However, these descriptive statistics do not take into account the clustering of the data.

In order to test whether lobbying success varies systematically across interest group type, the special structure of the data has to be taken into account. The data is of a hierarchical nature, as interest groups are clustered into policy issues. Interest groups that participated in the same consultations are subject to the same contextual characteristics and are therefore not completely independent, as assumed by ordinary regression analysis. Ignoring the clustering of the data may result in deflated standard errors and inflated Type I error rates so that predictors seem to have a significant effect even though they do not (Steenbergen and Jones 2002: 219–20). I therefore draw on multilevel modelling to analyse the data, by distinguishing between the interest group (first) and the issue level (second). I present random intercept models that allow for variation of the intercept across the 56 policy issues. As lobbying success is measured dichotomously, I estimate multilevel logistic regression models.

Table 4 presents the results of the multilevel analysis. The first model tests whether lobbying success varies systematically across the nature of the interest, while the second examines whether lobbying success varies systematically with organisational form. As already indicated by the pooled descriptive statistics, lobbying success does not vary systematically with interest group type. Neither the nature of the interest nor the organisational form is systematically associated with lobbying success. Thus, there is no statistically significant difference between cause groups, sectional groups and companies in terms of lobbying success. Similarly, companies and European groups are not systematically more successful in lobbying the European Commission than national groups. These results are robust across different reference categories. By contrast, the size of lobbying coalitions has a statistically significant effect on lobbying success. Hence, the larger the lobbying coalition that an interest group belongs to, the higher the probability of successfully lobbying the Commission at the policy formulation stage. In addition, none of the other control variables is systematically associated with lobbying success. Neither information supply nor financial resources nor any other issue-related control variables exhibit a systematic effect.

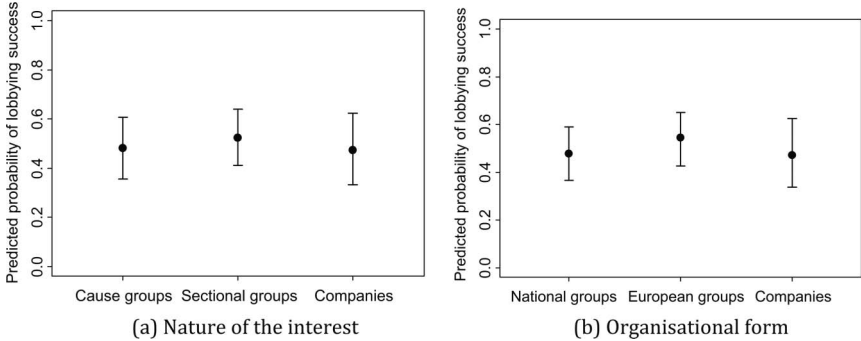
In order to further illustrate how lobbying success differs across interest group type, I simulated predicted probabilities (King *et al.* 2000). Figure 3 displays the point estimates of the predicted probabilities as dots, together with a 95 per cent confidence interval represented by the solid lines. According to the point estimates, the probability of successfully lobbying

TABLE 4
MULTILEVEL LOGISTIC REGRESSION

| | Nature of the interest | Organisational form |
|---------------------------------|------------------------|---------------------|
| <i>Fixed effects</i> | | |
| <i>Explanatory Variables</i> | | |
| Sectional group | 1.184 (0.235) | |
| Company | 0.957 (0.272) | 0.968 (0.245) |
| European groups | | 1.312 (0.226) |
| <i>Control Variables</i> | | |
| Financial resources | 0.999 (0.069) | 1.025 (0.073) |
| Information supply | 1.000 (0.000) | 1.000 (0.000) |
| Complexity | 1.145 (0.238) | 1.158 (0.240) |
| Coalition size | 1.035*** (0.006) | 1.035*** (0.006) |
| Salience | 1.000 (0.004) | 1.000 (0.004) |
| Conflict | 2.025 (1.573) | 2.065 (1.602) |
| Member state support | 1.003 (0.003) | 1.003 (0.003) |
| <i>Random effects</i> | | |
| Issue level variance | 1.799 | 1.789 |
| <i>Model fit</i> | | |
| N/Issues | 1024/56 | 1024/56 |
| Log likelihood | -592 | -591 |
| AIC | 1206 | 1204 |
| BIC | 1260 | 1258 |
| LR Test Prob > Chi ² | 0.000 | 0.000 |

Notes: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$. Coefficients represent odds ratios, standard errors in parentheses; the reference models for the likelihood ratio tests are the empty models; the reference category for the nature of the interest model are cause groups; the reference category for the organisational form model are national groups; the results are robust across different reference categories.

FIGURE 3
PREDICTED PROBABILITIES



the European Commission is on average slightly higher for sectional groups than for cause groups and companies. The confidence intervals, however, overlap considerably, indicating that the difference is not statistically significant. Similarly, the point estimates also suggest that European groups are, on average, more successful than national groups or companies. The confidence intervals, however, also overlap extensively, indicating that the difference is also not statistically significant. With regard to both the nature of the interest and organisational form, the simulated predicted probabilities therefore confirm that there is no systematic difference in lobbying success across interest group type.

Conclusion

Interest groups play an important role in the European Union. Around 3,700 groups lobby the European institutions in order to achieve policy decisions that are in line with their policy preferences (Wonka *et al.* 2010). It is commonly argued that not all of these groups are equally able to make their voice heard, but that policy-making is biased towards some powerful interest groups whereas others are largely ignored. Despite the important role of interest groups in the European Union, there are hardly any empirical studies that systematically investigate lobbying success and its distribution across different types of interest groups. What is more, the few existing studies are characterised by contradictory evidence as they focus either on a specific group type or on a specific policy area, so it is difficult to draw general conclusions (Dür 2008b). It therefore remains largely unclear whether lobbying success in the European Union is systematically biased. In order to shed light on the distribution of lobbying success across different types of interest groups, this study draws on a novel measurement approach to lobbying success, which uses quantitative text analysis to study consultations conducted by the European Commission. Using this approach, this article has presented an extensive empirical analysis of lobbying success during the policy formulation stage across 56 policy issues and 2,696 interest groups.

The empirical results provide no evidence for a bias in lobbying success across interest group type. Neither the nature of the interest nor the organisational form is systematically associated with lobbying success during the policy formulation stage. Hence, despite widespread claims that concentrated interests dominate European policy-making, the empirical analysis presented in this study has not found any evidence of such a bias. Cause groups representing diffuse interests such as environmental or consumer protection were equally able successfully to lobby in the European Union. Similarly, I could not find any pattern that links organisational form and lobbying success. Companies, European groups and national groups were similarly successful in lobbying the European Commission. Hence, even though not all interest group types are equally represented in European policy-making – business associations and companies constitute by far the

largest group participating in Commission consultations – this representational bias does not translate into a bias with regard to lobbying success. Thus, the responsiveness of the European Commission is not systematically biased towards specific organised interests. In line with the findings concerning lobbying success, the data presented in this study also shows that financial resources or information supply, which have often been associated with lobbying success, do not systematically vary with interest group type. In conclusion, the results of the empirical analysis presented in this article lead me to draw a fairly optimistic picture of interest group inclusion in the European Union, as lobbying success is not systematically biased, but different organised interests are equally able to effectively participate in European policy-making.

The findings of this study have important implications for the debate concerning the democratic potential of interest group participation in European policy-making. The European Union has been severely criticised for a lack of democratic legitimacy and accountability (e.g. Follesdal and Hix 2006). In an effort to counteract this criticism, the European Commission has taken various initiatives to increase the participation of interest groups (Kohler-Koch and Finke 2007). Whether the increasing participation of interest groups can, however, truly enhance the democratic quality of the European Union or, on the contrary, undermines its democratic legitimacy, depends to a considerable extent on how lobbying success is distributed among different interest groups. Interest group participation can only enhance the democratic quality of the European Union if policy-making is not constantly biased towards a few powerful interests reflecting just a small section of society. The results of the empirical analysis presented in this article are promising. Lobbying success in the European Union is not systematically biased, but different organised interests are equally able to shape policy formulation in the European. While this is an important finding, however, it refers to only one aspect of the question as to whether interest groups can enhance the democratic legitimacy of the European Union. For instance, it is not clear to what extent members are able to participate in internal decision-making processes. If decisions are largely taken by the interest group leadership without any attention to the demands of their members, interest groups can hardly bridge the gap between citizens and the European Union. In addition, this study has focused on lobbying success during the policy formulation stage of the EU legislative process. Future research therefore needs to further investigate the democratic potential of interest group inclusion by systematically studying the internal configuration of interest groups and by extending the empirical analysis to the entire policy cycle.

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Notes

1. One directive and one regulation only implement an already signed international convention into European law. Two further issues were not based on one single, but on several consultation papers so that it was not possible to determine one single policy dimension as required by the quantitative text analysis. One regulation only constitutes a mere recodification to already existing legislation.
2. The factor analysis retained only one factor according to the Kaiser criterion which suggests to keep only those factors with Eigenvalues equal or higher than 1. This factor accounts for 83.6 per cent of the variance and the factor loadings are all above 0.88.

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